

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

**BRIEF ON APPEAL**

**A. IDENTIFICATION PAGE**

Applicant's name: ICHO

Application Serial No. : 09/815,838

Filed: 03/22/2001

Title: **ON-LINE SYSTEM FOR AGGREGATION OF PURCHASE POINTS**

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**Icho patent application ON-LINE SYSTEM FOR AGGREGATION OF PURCHASE POINTS**

**Brief on Appeal**

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### **C. REAL PARTY IN INTEREST**

This patent application has been assigned to San Mateo Internet Associates, 55 W. 5<sup>th</sup> Ave., Suite 15B, San Mateo, CA 94402. The assignee is the real party in interest.

#### **D. RELATED APPEALS AND INTERFERENCES**

There are no related appeals nor interferences that are related to, or have any bearing on, the present application.

#### **E. STATUS OF CLAIMS**

Claims 1-14 were originally filed in the application. Claims 1-3 and 7-14 now stand rejected under 35 USC 103(a) over Ikeda et al, US Patent no. 5,937,391. Claims 4-6 have been canceled. No new claims have been entered. Claims 1-3 and 7-14 are the subject of this appeal.

#### **F. STATUS OF AMENDMENTS**

No amendments have been filed subsequent to the final rejection of May 23, 2005.

## **G. SUMMARY OF CLAIMED SUBJECT MATTER**

The claimed subject matter comprises a method for providing an on-line purchase award incentive program. As recited in independent claim 1, the method includes the initial step of providing a program web site (p. 3, line 10 et seq.) (p. 10, line 10 et seq., Fig. 1). The method then accepts the registration of a user of the award incentive program (p. 3, line 15, p. 11, lines 1-2, Fig. 11). The user's name and email address are stored in the system database server, as shown in Fig. 2 and described in p. 11, lines 7-8. The method then provides a web page listing a plurality of vendors, all of whom participate in the award incentive program (p. 12, line 12 et seq.). The web page provides a click-through connection to the web sites of any of the participating vendors, as described in p. 13, lines 10-17.

The award incentive program web site is provided with an e-mail address, as described in p. 4, line 3 et seq. , p. 11, line 12 et seq. Each registered user may electively transact at least one purchase directly with the web site of any of the participating vendors (p. 13, lines 18-21), and the registered user employs the e-mail address of the program web site during each purchase transaction (p. 13, lines 21-22). After the purchase transaction is completed, the vendor sends an e-mail confirmation to the award incentive program web site, as described in p. 14, lines 7-10. The award incentive program thereafter credits the registered user's account with purchase award points according to the dollar amount of the purchase (p. 15, lines 2-4). These purchase and award steps may be reiterated to accumulate award points (p. 15, lines 19-20).

Thereafter the registered user may redeem the accumulated award points for merchandise or services, as described in p. 17, line 9 et seq.

Independent claim 13 recites a slight variation in the method of claim 1, in that the registered user directly contacts and makes a purchase from the web site of a

participating vendor, thereafter gives the e-mail address of award incentive program web site to the participating vendor, and the participating vendor reports the purchase to the program web site. This variation is described in p. 16, line 10 et seq.



#### **H. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL**

There is only one grounds of rejection to be reviewed on appeal: whether claims 1-3 and 7-14 are unpatentable under 35 USC 103(a) over the Ikeda patent no. 5,937,391.

## **I. ARGUMENT**

### **Rejection under 35 USC 103 over Ikeda of claims 1-3 and 7-14**

The Ikeda patent describes an online shopping facility that provides connection to a plurality of online vendors of goods and services. Ikeda awards points for each transaction conducted through its web site, based on a points/dollar ratio established for each vendor. Ikeda also keeps an account of points so awarded, for each online vendor. When a shopper chooses to do so, s/he may reduce the cost of an item offered by one of the online vendors by 'spending' points accumulated by previous purchases from that online vendor, and may, optionally, spend points from other online vendors.

Note Ikeda col. 2, lines 51-64:

When a customer decides to buy goods through a home page of an online shopping mall according to the present invention, the number of effective accumulated points of the customer issued by a number of shops to the customer is displayed on the customers terminal by referring to the data of each shop forming part of the online shopping mall. If the customer selects a shop on the display screen and clicks a shopping button, then an order input screen is displayed and the customer inputs order data on the order input screen. Then, the customer clicks the order button, and the point-service system linked to the Web server of the online shopping mall is activated to issue points or redeems points at the instruction of the customer when he or she inputs an order. (emphasis added)

Thus in Ikeda the point-award server intervenes in the transaction as soon as the customer clicks the order button. The vendor's web site protocols for carrying out a transaction are necessarily modified to conduct the purchase points award or redemption tasks. Ikeda requires that the vendors who participate in the point-service award system of the online shopping mall must also participate in redemption of the points, if requested by the customer, to reduce or completely surmount the price that the vendor is charging for a particular merchandise item or service. Thus the Ikeda system intrudes on the

vendor's price point, presentation, and processing of the transaction. This requirement of the Ikeda point-service system interferes with the vendor's web site, and demands that the vendor re-write its web site transaction protocols to accommodate the point-system award and redemption scheme. Ikeda thus cannot interact with vendor web sites for purchase points award and redemption unless the vendor web site is significantly modified. Many online merchants do not want to make such modifications.

The distinctions of the present invention over Ikeda include the fact that Ikeda counts points for each shop separately, whereas the present invention instead sums the total dollar spent through the web site, with no regard for individual shop totals. Thus Ikeda is necessarily involved in a far more intricate bookkeeping operation. This task is complicated by the fact that Ikeda provides connection to many online shops, but not all are points providers. In the present invention, all shops that a user may click-through to are providers of award points.

Ikeda reduces the price for items being bought in exchange for points being deducted from user's account, and thus provides immediate redemption. The present invention does not enter into the sales transactions that are conducted through its web site. Rather, the customer conducts the transaction directly with the vendor's web site, with no interference or intervention by the award incentive program. The invention does not keep track of points being accumulated or spent during an ongoing transaction. Rather, it relies on the e-mail connection established through its website to obtain verification of a completed transaction after the transaction occurs, whereafter miles or points are awarded based on the amount of the transaction. In the present invention, miles or points are not necessarily used to buy goods from participating on line shops, Rather, it awards and redeems points or miles, and acquires the miles by purchase from airlines or their agents.

These distinctions are indicative of distinctly different business models implemented by the present invention and Ikeda. The invention website provides a page that enables the shopper to access participating vendors only, and then permits browsing of the vendor's goods and services. The web server returns a http redirect command with a URL referring to the vendor site. This URL contains imbedded information about the user and that the user connected to the vendor site through a link at the web site. When the user makes a purchase from a vendor's web site, the purchase procedure is carried out bi-directionally between the user's computer and the vendor and the purchase steps are carried out as required by the vendor's web site presentation, without any modification by the present invention. The user automatically provides the invention's web site account name whenever an e-mail address is requested during the purchase routine. When the transaction is completed the vendor sends an e-mail confirmation of the order placement. Because the user provided the award incentive web site e-mail address, the e-mail actually goes to the web site's mail server. The purchase data is stored in the web site database, and the e-mail is forwarded to the buyer as confirmation. The system then credits the user's account according to the purchase total and the number of points per dollar assigned to the web site.

It is significant that the use of the e-mail facility in this way by the present invention enables it to allow browsing and purchasing from participating vendors while eliminating the data processing overhead involved in real-time tracking of purchase points, valuation of purchase points, and redemption of purchase points at each vendor who issued them. In the present invention business model, the awarding of miles (points) and their redemption is carried out after the transaction(s) are successfully concluded.

It is also very significant that the use of the e-mail facility enables the participating vendors to conduct business transactions in their own manner and style, without any interference or modification of the vendor's web site by the system of the

invention. This is a very important consideration in convincing online merchants to join the award incentive program of the inventors. Ikeda is distinctly different and deficient in this regard.

Note that claim 1 states that the registered user transacts a purchase directly with the web site of one of the participating vendors. That is, the web site of the award incentive program does not enter into the conduct of the transaction. Further, claim 1 requires that the registered user's purchase through the award incentive web site is reported to the web site after the purchase is complete. Ikeda cannot conduct business in this manner, since it intervenes in the midst of the transaction (as soon as the order button is pushed) and requires that points be awarded and/or redeemed during the transaction. Thus claim 1 defines the invention over the reference and should be allowed.

Claims 7 and 8 depends from claim 1, and further define the use of email communications subsequent to the purchase transaction of the registered user, for reporting the transaction to the award incentive web site, and for confirming the award of points to the purchaser.

Claim 12 also depends from claim 1, and states that the step of redeeming purchase award points includes a registered user requesting an item from the program web site, and the program web site orders the item from a supplier and arranges delivery of the item to the registered user. This approach is in direct contradiction to Ikeda, in which the award points are redeemed during the purchase of items from the participating vendor web sites, not from the program web site.

Independent claim 13 is similar to claim 1, and it affirms the fact that the registered user directly contacts and makes a purchase from the web site of a participating vendor. And it more clearly states the distinction over Ikeda regarding the reporting of the transaction from a participating vendor after the transaction is completed. Claim 14 depends from claim 1, and bolsters the point made previously: the purchase step is

carried out in accordance with the purchase routine established by the web site of the participating vendor without involvement of the award incentive program web site. This is the clearest statement in the claims of the fundamental distinction of the invention over Ikeda.

Applicant asserts that the claims presented on appeal patentably define the invention over the sole reference, and that the Final Rejection should be reversed and claims 1-3 and 7-14 be allowed.

## **J. CLAIMS APPENDIX**

1. A method for providing an on-line purchase award incentive program, including the steps of:

- providing a program web site;
- accepting user registration with said program and storing the name and e-mail address of each registered user in association with a respective program account;
- providing a web page listing a plurality of vendors, all of said vendors participating in said program, said web page enabling click-through connection to the web sites of any of said participating vendors;
- establishing an e-mail address for said program web site;
- each registered user electively transacting at least one purchase directly with the web site of one of said participating vendors;
- each registered user using said e-mail address of said program web site during each purchase transaction with a web site of one of said participating vendors;
- reporting said at least one purchase to said program web site via e-mail after the purchase is completed;
- crediting the account of the respective registered user with purchase award points according to the dollar amount of said at least one purchase;
- reiterating said steps of purchasing, reporting, and crediting to accumulate purchase award points in the respective account of each registered user; and,
- each registered user electively redeeming purchase award points in the respective account for goods and/or services.

2. The method for providing an on-line purchase award incentive program of claim 1, further including the step of providing a database server and an e-mail server with said program web site.

3. The method for providing an on-line purchase award incentive program of claim 2, further including the step of storing data concerning registered users associated with e-mail addresses, program accounts, purchases, and award points.

4-6. Canceled

7. The method for providing an on-line purchase award incentive program of claim 1, wherein each purchase transaction of a registered user with the web site of one of said participating vendors is first confirmed via an e-mail confirmation to said program web site, and said program web site subsequently sends an e-mail confirmation of the purchase transaction to the registered user.

8. The method for providing an on-line purchase award incentive program of claim 7, wherein said e-mail confirmation to said program web site is parsed to determine purchase data, including at least the dollar amount of purchase.

9. The method for providing an on-line purchase award incentive program of claim 1, wherein said participating vendors may include commission sponsors, and further including the step of periodically sending a request to said commission sponsors for a transaction report of transactions with registered users of said program.



10. The method for providing an on-line purchase award incentive program of claim 9, wherein said transaction report is parsed for data regarding registered users and purchases with participating vendors.

11. The method for providing an on-line purchase award incentive program of claim 1, further including the step of periodically sending a request to purchase points from a points supplier to be credited to the accounts of said registered users of said program.

12. The method for providing an on-line purchase award incentive program of claim 1, wherein the step of redeeming purchase award points includes a registered user requesting an item from said program web site, and said program web site orders said item from a supplier and arranges delivery of said item to the respective registered user.

13. A method for providing an on-line purchase award incentive program, including the steps of:

providing a program web site;

accepting user registration with said program and storing the name and e-mail address of each registered user in association with a respective program account;

providing a web page listing a plurality of vendors participating in said program, said web page enabling click-through connection to the web sites of any of said participating vendors;

each registered user electively transacting at least one purchase directly with the web site of one of said participating vendors;

establishing an e-mail address for said program web site;

reporting said at least one purchase to said program web site;

crediting the account of the respective registered user with purchase award points according to the dollar amount of said at least one purchase;

reiterating said steps of purchasing, reporting, and crediting to accumulate purchase award points in the respective account of each registered user;

each registered user electively redeeming purchase award points in the respective account for goods and/or services;

wherein a registered user directly contacts and makes a purchase from the web site of a participating vendor, thereafter gives the e-mail address of said program web site to the participating vendor, and said participating vendor reports the purchase to said program web site.

14. The method for providing an on-line purchase award incentive program of claim 1, wherein said purchase step is carried out in accordance with the purchase routine established by the web site of the participating vendor without involvement of said program web site.

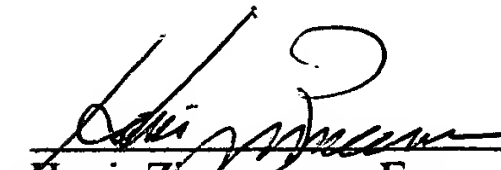
## **K. Evidence Appendix**

None

## **L. RELATED PROCEEDINGS APPENDIX**

There are no related proceedings before the United States Patent and Trademark Office.

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